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ARGENTINE CITIZENS FIRMLY SUPPORTING GOVERNMENT STAND

Patriotic Demonstrations Greet Peluffo Speech—U.S. Sanctions Move Unsupported

Domei

LISBON, July 28.—Patriotic fervor has reached a fever pitch among the Argentine population in connection with the conflict between that nation and the United States, according to the Buenos Aires correspondent of the Spanish paper, Arriba.

He reports that statements by government officials have seldom been received by the people with such enthusiasm and full support was accorded the defiant statement by General Orlando Peluffo, Argentine Foreign Minister.

Wild demonstrations at St. Martin Square and the main streets of Buenos Aires following Peluffo's speech was the seal and stamp of the whole nation's approval of the Farrell Government's policies, the correspondent said, adding that the influential papers, La Prensa and the Nacion, are solidly backing each step of the Argentine Government.

Pro-U.S. Paper Bombed

Domei

LISBON, July 28.—Several thousand citizens of Argentina, voicing approval of the Government's foreign policy and the defiant statement by General Orlando Peluffo, Foreign Minister, in reply to Cordell Hull's charges, participated last night in an orderly demonstration during which a bomb thrown by one of the demonstrators exploded in front of the building occupied by the newspaper, La Nacion, and, while injuring no one, damaged the building, according to a Buenos Aires dispatch.

It is learned that the La Nacion had special relations with an American news agency and was regarded as a pro-Anglo-American newspaper.

Numerous organizations sponsored the demonstration which came 24 hours after General Peluffo, in a radio speech, declared that Argentina would continue its present foreign policy.

3 Nations Sever Relations

Domei

LISBON, July 28.—Three Central American countries, Guatemala, Dominica and Honduras, today, broke relations with the Argentine Government, according to a New York dispatch.

U.S. Lacking Support

Domei

LISBON, July 28.—The United States Government is preparing to bring political and economic pressure on Argentina, following Secretary Hull's strong denunciation of the recent attitude of Argentina, it is reported.

Despite such a strong attitude of the United States, other anti-Axis nations are not following in her step, and thus, her plan of joint action for oppressing Argentina seems to be facing a serious obstacle. According to London reports, the British attitude is particularly indecisive on the present Argentine question. In some economic quarters of Britain, a movement opposing British participation in the economic sanction against Argentina is said to have arisen. This is due to the fact that Britain is, economically, much dependent on Argentina, and a rupture would bring an unestimable blow to the wartime economy of Britain. Thus, in the event of the enforcement of economic pressure on Argentina, it would be Britain rather than Argentina that would be quickly placed in difficulty.

Such a situation in Britain is fully reflected in the leading article published in the Yorkshire Post today. The substance of the article follows:

"The British Government was never consulted respecting Secretary Hull's declaration denouncing Argentina. Judging from the contents of his declaration he might have conferred previously with the nations of the American Continent, but the British Government has been kept quite ignorant of it. Therefore, it is not likely that the British Government will follow in America's step and issue a statement similar to Secretary Hull's.

Serious Results Feared

"Before enforcing economic sanction against Argentina, anti-Axis nations must first study fully whether they could obtain from elsewhere important war materials and foodstuff that they have been importing from Argentina in the past. When the economic sanction is enforced recklessly without considering these conditions, it must not be forgotten that a serious obstacle will be caused in the war execution of anti-Axis nations.

"Besides such a negative attitude of Britain, those of the American nations that are economically depending on Argentina are strongly opposing the economic sanction against Argentina by a joint measure. Thus, despite the strong policy of the United States, the anti-Axis anti-Argentina campaign is already meeting a serious difficulty.

"The attitude of Argentina is also very strong, probably realizing the above-mentioned situation, and the entire public is fully supporting the Government. According to Buenos Aires reports, immediately after the address given by the Argentine Foreign Minister on July 27 a mass demonstration was held in the city by the citizens who loudly denounced the unreasonable pressure of the United States and declared their full support of the Government."

Wavell Again Rejects Request by Mahatma For India Discussion

Domei

LISBON, July 28.—Viscount Archibald Wavell, Viceroy of India, today, turned down the second request from Mahatma Gandhi to meet Wavell to discuss the situation in the light of Gandhi's recent pronouncements, according to a New Delhi dispatch. Wavell replied to Gandhi's request that the "Viceroy felt that nothing new had come up to justify his meeting Gandhi."

TANAKA APPOINTED CABINET SECRETARY

Vice-Governor of Chosen Succeeds Miura Who Is Relieved of Post

Takeo Tanaka, Vice-Governor-General of Chosen, was appointed Chief Secretary of the Koiso Cabinet, it was announced on Saturday. The announcement said that Mr. Tanaka would be specially accorded the privileges of the "Shinnin" rank.

Along with this shift, Kunio Miura, director of the Legislative Bureau and concurrently Chief Cabinet Secretary, was relieved of his posts.

The new Chief Secretary of the Cabinet is 54 years old, and received his training in Chosen. He made the acquaintance of Prime Minister General Kuniaki Koiso while the latter was Commander of the Chosen Army.

He was Overseas Vice-Minister under Overseas Minister General Koiso during the Hiranuma Cabinet which was installed in April, 1939.

Upon retirement from this office, he became managing-director of the Manchuria Emigration Association of which General Koiso was president. He became Vice-Governor-General of Chosen in May, 1942, following the appointment of General Koiso as Governor-General in succession to General Jiro Minami.

ANGLO-U.S. OIL CONFAB OPENED IN WASHINGTON

Domei

LISBON, July 27.—The British-American Oil Conference was opened on Tuesday at the State Department, Washington, and according to information obtained from the American delegation, a British-American oil agreement respecting international oil problems will be signed this week, it is reported from Washington.

Contents of the oil agreement are said to be as follows:

1. According to the spirit of the Atlantic Charter, the United States and Britain will allow the utilization of oil resources by various nations.

2. The parties to the agreement may cancel it by giving six months' notice.

3. Either party will not be bound by the agreement if its own safety is threatened and a vast quantity of oil is required for its self-defense.

If the contents of the agreement to be signed are of such a nature, it can be said that it consists mainly of reservation clauses. The item to permit the utilization of oil resources by other countries is only a camouflage for the Anglo-American scheme to monopolize the world oil resources. At any rate, it is observed that the oil conference will end without attaining any concrete result as in the case of past conferences held by the two countries.

SUGIYAMA AND YONAI STRESS TOTAL UNITY OF ARMED SERVICES

Ministers Urge Raising of Plane Output and Heightening of Public Morale

The determination of the Army and Navy to mould themselves into true oneness and their desire for the Government to direct all its efforts toward the successful prosecution of the war were expressed by Field-Marshal Gen Sugiyama, War Minister, and Admiral Mitsumasa Yonai, Navy Minister, on Friday. Though speaking separately, each representing the standpoints of the Army and Navy, Field-Marshal Sugiyama and Admiral Yonai, in the first major statements made since the formation of the new Cabinet, voiced identical desires. Their statements were made at the regular Cabinet meeting held on Friday at the Prime Minister's official residence.

The war measures they asked the Government to take were, in the spiritual field, for the further uplifting of morale and, in the material field, for an epochal increase in the production of aircraft. As a way to heighten morale, they asked that special consideration be given to the brightening up of public opinion and the carrying through of political power to that end. Complete support was expressed by all the Cabinet Ministers.

Opinions Are Exchanged

With the Imperial Command to form a Cabinet having been given to General Kuniaki Koiso and Admiral Yonai it is anticipated that still greater unity between the Army and Navy would be effected and that this will be the basis for the propulsion of powerful war politics. The statements made by the War and Navy Ministers on Friday are considered the first step taken in this direction. After voicing their full support of the desires of the Army and Navy Ministers the Cabinet Ministers held a frank exchange of opinions as to the concrete methods necessary for putting the points stressed into actual practice and pledged to direct all their efforts to that end.

Because the War and Navy Ministers went out of their way to stress true Army-Navy oneness and cooperation, it is fully expected that this principle will be followed throughout the whole of the armed forces. It also is considered a point which need not be enlarged upon that war politics will be propelled with the full power of the Army and Navy as the backbone for the successful prosecution of the war.

As to the brightening up of public opinion, it is recalled that Taketora Ogata, State Minister and President of the Board of Information, announced that clearcut methods would be established following a complete official exchange of opinions at a Cabinet meeting. The armed forces having also expressed a similar desire, will no doubt see to it that the point will actually be put into practice.

With the Cabinet Ministers having pledged support for the statements made by the War and Navy Ministers, it is also believed that really effective measures to greatly increase the production of aircraft, which forms the core of material fighting power, will be taken.

Basis of Cabinet Policy

It is thought significant that the statements of the two Ministers were made before the policy of the new Cabinet was made public. The statements are believed to form the basis of the new Cabinet's policy. With the complete unity of the combined services and determined politics totally concentrated on the war in cooperation with the armed forces coupled with the brightening up of public opinion, the Koiso Cabinet is expected to drive forward for the destruction of the United States and Britain with still greater faith in absolute victory.

The substance of the statements made by the War and Navy Ministers follows:

In order that the Army and Navy may become truly one in the concentration of all means for the successful prosecution of the war and the attainment of the national objective, we ask for the actualization of the following points:

1—That the Government hold solidly to its faith in absolute victory and drive forward for the successful prosecution of the war.

2—That special consideration be given to the brightening up of public opinion in order that morale may be further heightened.

3—That every measure be taken for the swift increase of material fighting potential, particularly air power.

4—That care be taken to conduct national affairs simply in order that political power may be carried through without let or hindrance.

Posthumous Honors Are Granted Heroes for Bravery in Asia War

20th Award Is Announced; 9,302 Men Who Saw Action In Southwest Pacific and Continent Awarded Orders of the Golden Kite

The 20th list of those granted posthumous honors in the War of Greater East Asia has been announced. The announcement follows:

"Most of the heroic fighting men who have been granted honors at this time took part in various operations in the southwestern Pacific area and, particularly, in the battle for Guadalcanal, they overcame every difficulty in intense fighting against superior American-Australian forces, fought effectively and courageously against the enemy forces and dealt them serious losses and struck terror into their hearts, manifested completely the essence of the Imperial Forces and in the end fell for the defense of the nation. Also included are many heroic fighting men who fell for the nation in the fighting on the continent.

"Those granted the Orders of the Golden Kite are Colonel Satoru Onoguchi, who was granted the Third Class Order of the Golden Kite and the Third Class Order of the Rising Sun, and 9,301 others. Those granted Special Distinction Honors are the same Colonel Onoguchi and 307 others."

Among those conferred the Special Distinction Honors were the following:

Annihilated the Enemy

Major Toshiharu Aida, who was granted the Fourth Class Order of the Golden Kite and the Fifth Class Order of the Double Rays of the Rising Sun. He served meritoriously for a long period in various sectors in North China. Particularly in the Southern Taihang operations, he was the principle cause in scoring magnificent battle results by an outstanding suggestion. He personally carried his plans to the various unit commanders, grasped the opportunity for putting his plans into execution and encircled and annihilated the enemy. He was killed in action while fighting in the West Hopeh operations.

Major Eiji Sakurai, who was granted the Fourth Class Order of the Golden Kite and the Fifth Class Order of the Dual Rays of the Rising Sun. He was a member of a light bomber unit. For a long period he served gallantly in the air over Central China and Malai. Particularly in the Malai operations he aided the operations of the army ground corps by quick judgment and fighting suitable to the occasion. He also overwhelmed and struck terror into the enemy in the battle for the reduction of Singapore. After serving with extraordinary merit he was killed in action in an air battle with enemy fighters in Burma in the autumn of 1943.

Captain Tetsuo Morita, who was granted the Fourth Class Order of the Golden Kite and the Sixth Class Order of the Rising Sun. He served from February, 1942, in the operations for the reduction of Java and fought at various localities. Following that he was sent to Guadalcanal, where he belonged to the Kawaguchi Contingent. He stood at the head of his forces as the left first-line sub-company commander of the company, occupied enemy pillboxes and made possible the attack of the company by driving deep into enemy territory and finally assaulting an enemy artillery position near the beach. Captain Morita, however, was killed in action in this operation.

Fought at Guadalcanal

Sub-Lieutenant Yoshio Kimura, who was granted the Fifth Class Order of the Golden Kite and the Sixth Class Order of the Rising Sun. He served with merit in the operations for the reduction of Java from February, 1942, following which he went to Guadalcanal. As leader of a command squad he took part in the fighting near the airfield. Standing always at the head of his men, the Sub-Lieutenant drove deeply into enemy ground, across several lines, and struck terror into the enemy by finally seizing an enemy artillery position. Later he met a heroic death in action in the fighting around the Matanikau River.

Lieutenant - Colonel Nakakazu Ozaki, who was granted the Fourth Class Order of the Golden-Kite and the Fifth Class Order of the Rising Sun. As squadron leader of a fighter unit, the Lieutenant-Colonel served from the spring of 1943 over the whole of China and northern Indo-China. He always took upon himself extremely difficult duties in advance operations against Chungking, Kunming, Kweilin and other points. He led his men with firm control and with excellent strategy and effective fighting scored brilliant results. He excelled particularly in the art of shooting down large enemy planes and by close-quarter attacks downed many of them. Toward the end of 1943 he served with outstanding merit in an attack on the Suichwan airfield by engaging in combat more than 20 enemy fighters and attacking them furiously. He was killed in this action. He was given a citation by the Army Commander and by Special Order was promoted two ranks.

Captain Hideo Sugawara, who was granted the Fourth Class Order of the Golden Kite and the Sixth Class Order of the Rising Sun. The Captain was a member of the fighter unit and served with great merit over a long period in Central China. At the start of the War of Greater East Asia he raided the Chingteh airfield in Hongkong and annihilated the enemy planes. He also served in sealing the activity of the American air force in China by action such as surprise-raiding the Kweilin airfield in adverse weather and smashing enemy P-40's. He was killed in action in interceptive action against enemy raiders in the Canton area toward the end of 1943.

Scored Magnificent Results

Lieutenant-Colonel Toshio Mareyo, who was granted the Fourth Class Order of the Golden Kite. He served as a squadron commander of a light bomber unit over the whole of China and Malai, Java and Sumatra. With God-like technique he scored magnificent war results and served with exceptional merit. With the outbreak of the War of Greater East Asia he fought in the air annihilation operations at the outset in the attacks on Singapore, Palembang and Bandoeng and dealt devastating damage upon enemy aircraft, ships, tanks, and motor vehicles.

Captain Teiji Asafuru, who was granted the Fourth Class Order of the Golden Kite and the Sixth Class Order of the Rising Sun. The Captain was a member of a scout plane unit and served with great merit in the Great Plains operations, Malai operations and Java operations. In the Malai operations he scouted effectively and drove to confusion enemy vehicular units. In the Java operations he advanced to the Kalidjati airfield which had just been occupied and drove deeply into enemy territory singly and aided the Japanese operations by scouting Batavia and Buitenzorg. He was killed in action while patrolling the Indian Ocean in May, 1943.

Also honored, although not awarded special distinction honors, by being granted the Fourth Class Order of the Golden Kite and the Fifth Class Order of the Rising Sun was Hannosuke Tanaka, captain of a ship. He took part in various operations in southern waters as captain of the X X Maru carrying out completely his duties and contributing tremendously to the operations of the Army. He took part in forcing transportation to Guadalcanal. Though he effected a death-defying voyage despite bombing in waters where enemy fleets were present and several times succeeded in entering the anchorage, the enemy bombing and shelling became intense and he was forced to run his ship aground. He succeeded thus in landing completely the X X Unit and much munitions and contributed tremendously to the future operations. He, however, later died of illness on the front.

Harris Succeeds Woods

Domei

LISBON, July 28.—The U.S. Navy Department yesterday announced that Brigadier-General Field Harris was appointed new Commander of the U.S. Marine Air Corps, in succession to Brigadier-General Louis E. Woods, who was transferred to a post on the front, according to a Washington report received here. The dispatch further said that Harris took part in the American landing operations in Guadalcanal and Bougainville Islands as an air commander.

FOE PLANE DOWNED AS MANCHOU AREAS SUBJECTED TO RAID

Several B-29's Appear Over Anshan, Dairen, Says Kwantung Army Announcement

Domei

HSINKING, July 29.—Several B-29 planes of the American air force in China came raiding Anshan and Dairen in Manchoukuo at about 1:30 p.m. Saturday, according to an announcement of the Kwantung Army at 3 p.m. the same day. The announcement further revealed that the Japanese shot down one enemy plane over Anshan, according to results known so far. Damage on our side was negligible, the announcement added.

4 Attackers Downed

Special to the Nippon Times

CENTRAL PACIFIC BASE, July 29.—About 30 enemy planes attacked Wotje Island in the Marshall Group yesterday afternoon. Japanese Forces on the spot counter-attacked and repulsed all the raiders.

The persistent anti-Axis attacks against the Palau Island area are being continued. On Thursday an aggregate total of 400 ship-based planes made repeated attacks on our positions on the island.

Against Pelilu Island another formation of 20 enemy deck-planes made an abortive raid on the same day. In a counter-attack, the Japanese Units stationed there shot down four raiders and beat off all the others.

Namlea Attack Fails

Special to the Nippon Times

SOUTHWEST PACIFIC BASE, July 29.—The attack by 18 large-sized planes of the anti-Axis air force on Namlea, Buru Island, on Tuesday was a complete failure.

On the afternoon of the following day eight enemy planes made a futile attack on our position at Bula, Ceram Island. Japanese Units on the spot contacted the attackers and after a fierce fight repulsed all of them.

A formation of 14 large-sized enemy planes attacked Ambon, Amboina Island, on Thursday.

Japanese Units stationed in the western part of New Guinea Island damaged one B-24 bomber in an engagement with about 40 enemy fighters and bombers that attacked Babo on Wednesday morning. All the other raiders fled.

On Thursday, about 20 small-sized anti-Axis aircraft attacked Menoekwari, New Guinea Island. Japanese Forces immediately launched a furious repelling attack.

Meanwhile, on the same day, 180 enemy planes attacked Washire on the western tip of New Guinea Island, but they fled without carrying out an effective attack.

Rabaul Raiders Routed

Special to the Nippon Times

RABAUL, July 29.—A formation of 100 anti-Axis fighter and bomber planes made an attack on our positions here on Thursday. The Japanese immediately went into action and repulsed all the raiders.

632 Yanks Killed at Tinian

Domei

LISBON, July 27.—The American losses on Tinian Island since the commencement of the landing operations on that island up to July 25 were disclosed to be 632, according to an announcement made by the Commander of the U.S. Southwestern Pacific Fleet today, according to a Pearl Harbor report. The details of the American casualties are: killed in action 159; wounded 441 and missing 32.

Colombia Convicts Gil

Domei

LISBON, July 28.—Colonel Diogenes Gil was convicted today as the leader of the abortive revolt on July 10, during which President Alfonso Lopez and several of his Cabinet ministers were held prisoner, and sentenced to ten years imprisonment, according to a Bogota, Colombia dispatch.

Canadian Shipbuilders Strike

Domei

LISBON, July 28.—Canadian ship-building program was seriously delayed when 2,700 shipyard workers at two of the most important Canadian shipyards in Halifax and Dartmouth went on strike today, according to an Ottawa dispatch.

Thai Cabinet Resigns Due to Non-Passage Of Royal Ordinances

Domei

BANGKOK, July 29.—The Phibun Cabinet resigned en bloc, the Propaganda Department of the Thai Government announced at 10 a.m. today. Resignation was decided upon by Prime Minister Phibun Songkhram due to the fact that the National Assembly refused to pass the urgent Royal ordinances for the raising of Petchabun city to a special administrative district and the construction of a Buddhist capital near Saraburi. The ordinances were presented to the National Assembly on July 20 and 22. Prime Minister Phibun decided upon the resignation en bloc of his Cabinet based on the true spirit of the Thai constitutional government. The resignations of the members of the Thai Cabinet were tendered by the Prime Minister on July 26 and were accepted by the Council of Regency.

LONG INDIA DEBATE HELD BY COMMONS

Laborites Urge New Steps to Solve Crisis—Amery Stubbornly Refuses to Budge

Special to the Nippon Times

STOCKHOLM, July 28.—Following the July 25 debate in the House of Lords on the question of Indian administration and food administration in that country, a long debate was held in the House of Commons, today, chiefly centered on Mahatma Gandhi's recent proposals, according to a London dispatch.

Pethwick Lawrence, Deputy of the Labor Party, opening the debate urged the Government to take new steps to solve the critical situation in India. National Liberal, Sir George Schuster, advocated holding an Indian Parties' round table discussion to help produce a final constitutional plan. Then, Professor Hill, who recently returned from India said that unless something were done quickly, nothing but calamity and misery lay ahead.

Stressing the urgency of the Indian problem, Professor Hill said that "India is living on the edge of a precipice. The factor of safety is so low that any disturbance, even a comparatively minor one, may send her over the edge. I have grave doubts about the wisdom of us urging that consideration should be given to partition. Partition having five separate regions in India could only lead to the Balkanization of that great peninsula. India is heavily overloaded and if we were to take liberties with it by allowing disorder, or bloody revolution, as some people lightly speak of it, then disaster would not be a minor one, but a major catastrophe."

Professor Hill then went on to stress cooperation with India and urged the passing of the administration to Indian hands which was supported by Sorenson, Labor member, who thought that "Gandhi was at least opening the door a little and we should not slam it in his face," which brought the statement from Sir John Wardlaw Milne, Conservative member, that they could not hand over India to one faction alone.

Whereupon, Leopold Amery, Secretary for India, would up the Commons' India debate with a speech which, while explaining the British administration in India, scarcely mentioned a word in connection with Gandhi's recent utterances. His discussion on the economic and social aspects of the Indian problem far outweighed the consideration of political issues and throughout stressed the maintenance of the British hold on India.

He said: "Sir Stafford Cripps' proposal is still effective and the British Government intends to grant Indian independence in the future.

"However, apart from that particular issue which affects the future, Gandhi has through press interviews and statements recently expressed his views as to what he conceives to be the immediate solution. These statements are not free from obscurities and reservations on particular points. I do not need to go into those for they are in any case all bound up with and dependent upon one central demand upon which he does not leave any room for ambiguity. That is the demand for immediate recognition of India's independence under the provisional government in which the only powers reserved to the Viceroy are those which deal with the control of active military operations.

"All reserve powers indispensable to insure that various functions of the administration which are coordinated with the war effort and also those indispensable to safeguard constitutional position for the minority elements—all those are to be reserved for the provisional government. Well, that is, after all, just the demand upon which negotiations with the Congress broke down two years ago and bound to break down again.

"If Gandhi's statements are laid side by side with those then issued by the Congress leaders it will be seen that in this respect at least there has been no real advance. Indeed, Gandhi now adds further a stipulation that India is to bear no part of the cost of her own defense.

"As those are the basis for his proposals, they obviously do not form even a starting point for profitable discussion either with Lord Wavell or with the interned Congress leaders. They are in no sense a response to the Viceroy's invitation to Gandhi to produce constructive proposals."

2ND DECISIVE BLOW BEING DEALT ENEMY IN HENGYANG REGION

Fighting Rages as Japanese Smashing Foe Attempts to Reinforce Encircled City

By a Member of the Military Press Corps

HUNAN FRONT, July 28.—The second annihilative operation in the region around Hengyang is raging with the Japanese Forces smashing the enemy forces that are attempting to reinforce and recover encircled Hengyang. Having started large-scale double-enveloping operations against the strategic stronghold, the Japanese Forces made the reduction of Hengyang a subsidiary objective and placed the main stress on wiping out the enemy field forces which they expected would attempt to reinforce the surrounded walled town.

As expected, the enemy rounded up its remnant forces and poured the 98th, 194th, 157th and 151st divisions into the Japanese ring from the west and south in an effort to recover the town. Having drawn in the enemy, the Japanese Forces are engaged in wiping them out. A Japanese Unit moving southward, on July 20, swiftly pursued the 194th division which was concentrating at Moliping, 10 kilometers west of Hengyang and scattered it into mad flight. Furthermore, upon learning, on the evening of July 24, that this force was attempting to build a position north of Hengyang, the Japanese Units again repulsed it and dealt it an annihilative blow. The Unit dealt further telling blows to other enemy units in the region.

Enemy Forces Smashed

The Unit which covered the region southwest of Hengyang moved ahead of the enemy 151st and 157th divisions which attempted to hit it in the rear, and after a wide detour came upon the enemy forces at a point eight kilometers southwest of Hengyang and smashed it. A regiment of the 64th army which concentrated at a point four kilometers south of Hengyang with the objective of recovering the airfield, was also raided and completely wiped out on July 23. On the next day, July 24, another enemy unit, of 500, which also aimed at the recovery of the airfield, was obliterated. With all enemy efforts for the recovery of Hengyang being smashed the obliteration of the Ninth War Zone is becoming still more decisive.

Meanwhile, all important enemy establishments in the outer defense belt of Hengyang have fallen into Japanese hands. In addition to the Hengyang airfield on the eastern bank of the Siang River, which is being secured solidly by the Japanese Forces, the Japanese southward-moving Unit, since July 7, has been holding the food dump southwest of Hengyang, the Western Station, the Hengyang power plant of the Hunan-Kwangsi Railway and the steel plant and train works toward the south of the walled town. All land supply lines to Hengyang have been severed.

Big Attack Expected

Domei

LISBON, July 29.—Admitting that the Japanese have already penetrated into the city limits of Hengyang from four directions, Chungking military authorities yesterday declared that it is anticipated that a grand-scale Japanese attack will be launched shortly upon the arrival of tank and heavy artillery formations, thus suggesting that the death struggle of the Chungking defenders in the walled town is drawing to a close, says a Chungking dispatch.

JINNAH'S ATTITUDE DRAWS COMMENT

Failure to Accept Responsibility Taken by Congressmen as Rejection of Proposal

Special to the Nippon Times

LISBON, July 28.—Temporarily winded after its prolonged campaign of abuse directed against Field-Marshal Archibald Wavell, Viceroy of India, for his wily response to Mahatma Gandhi's last letter suggesting a meeting, the Nationalist press had hardly had time to regain its breath before Chakravarti Rajagopalachariar, former Premier of Madras, plunged the country into fresh excitement by releasing for publication his correspondence with Mohammed Ali Jinnah, President of the Muslim League, in quest of the solution of the communal deadlock, reports the Observer correspondent from New Delhi.

Even the rebuff given to the Indian delegation at Bretton Woods, though strongly resented, drew less vituperative comment than those hurled on Jinnah for his rejection—for that is now his refusal to take personal responsibility for accepting or rejecting the formula is interpreted by Congressmen—of the fomula which Rajagopalachariar calls "the basis for terms of settlement" but which Congress press generally hails as a master plan for the solution not only of the communal canker but of all the country's ills at one stroke.

Hindu Mahasabha leaders, however, are sceptical. Mahasabha's working committee, which was in session here when the correspondence was published, immediately passed a resolution reaffirming its abhorrence of any patched-up truce between Congress and the Muslim League which involved a division of the country. Curiously enough it is not explained why the formula, which Gandhi approved in March last year was not given to Jinnah till April 1944.

The paper, Statesman, sees a marked resemblance between the "basis" and Sir Stafford Cripps' offer and declares, "Both seem reasonable ways out although why Jinnah withheld his personal approval is not yet known. Did he dislike the idea of being committed to the definition of the Pakistan or was he opposed to the later settlement of the leading issue instead of before the transfer of power? One writer points out that Gandhi, who hitherto described vivisection of the country as a 'sin' has now apparently accepted it in principle saying that if there is sincerity on one side something may come out of it yet."

Gandhi Practical Statesmen

By Arrangement with the Asahi

SOUTHERN BASE, July 27.—The sudden and complete change in Mahatma Gandhi's attitude reveals him as both a pacifist and a practical statesman. To those who have watched his past sudden changes of attitude in 1922, 1931 and 1933 when he gave up his anti-British movement, the recent change arouses no particular surprise. His object is obviously, to assure himself a strong position after the conclusion of the present war for the ultimate aim of gaining independence by saving India from the present economic, social and political confusion and also by attaining for India the status of a Dominion at as early a date as possible.

However, there is difficulty in the fact that the principal element of the "autonomous national government of India," which is the main point of Gandhi's proposal, must consist of Indians and Mohammedans. That is why along with Gandhi's proposal there has been proposed cooperation and unity between the National Congress and the Moslem League as insisted upon by Chakravarti Rajagopalachariar, former Madras Premier.

Therefore, cooperation between the Hindus and the Moslems is the big problem to be solved before establishment of a national government is possible. The proposal made by Rajagopalachariar contained a point which does not agree fundamentally with the demand of the Mohammedans and of which even those close to the Mahatma do not approve, as the Times, London has said.

The Operating Committee of the Muslim League has been in conference at Lahore since July 20 but the results of the meeting are not yet known. It is, however, observed that regarding Rajagopalachariar's proposal, the Committee seems to have made the following decisions (1) to guarantee full protection to Mohammedans under the Constitution and (2) to ask Mahatma Gandhi to submit a plan for the Hindu-Moslem cooperation, independent of Rajagopalachariar and others.

The greatest difficulty in Rajagopalachariar's plan is the proposal to decide the organization of the Moslem and the Hindu groups by an election to be held after the conclusion of the war. It is doubtful whether such a situation as desired by the Moslem League would result therefrom. The plan also overlooks the various Rajas and Sheiks in the northwestern part of India, not to mention the National Congress leaders now in prison. This question also will be a very difficult one to settle.

Regarding the British attitude toward the matter Viceroy Wavell said that he would welcome the conclusion of any agreement between the Hindus and the Moslems for the settlement of the present political situation in India. Secretary of State for India Amery also remarked to a similar effect on July 13. However, it is doubtful whether such is the true mind of the British Government which has been ruling India by maintaining the discord between Hindus and Moslems.

Respecting the attitude of the British Government in remaining silent over the concrete proposal made by Rajagopalachariar and Mahatma Gandhi's plan for the formation of a national government this can be interpreted in at least two ways:

One is that Britain will refuse to sanction any cooperation between the Hindus and the Moslems and therefore the establishment of a national government. Another is whether Britain will propose the carrying-out of the Cripps' plan. Then it may be that Britain has a slight desire for the cooperation between the Hindus and the Moslems to take place so that a national government can be established, governed, in name only, to pacify the Indian public. This is deduced from the fact that recently the British Government has been encouraging cooperation between the Moslems and the Hindus and hinted at the coming establishment of the national government. It has also been urging the Liberty League, a Government organ, to stress the necessity of establishing at national government.

There are also some who think that the British Government released Mahatma Gandhi, in the knowledge that a pro-British national government would be proposed by the Mahatma. At any rate India is now in great confusion and Gandhi's proposal has already brought up various internal questions as well as problems with the British Government.

14 Nippon Internees At Tule Lake Camp Start Hunger Strike

Domei

LISBON, July 28.—Fourteen Japanese internees at Tule Lake camp, who were the the last of the 315 to be placed in a special stockade within the camp following the riot incidents last fall, went on a hunger strike on July 20 protesting against the unjustified segregation, according to a Tule Lake, California dispatch. One of the hunger-strikers was sent to the camp hospital for special care due to his weakened condition but the remaining 13 still stuck to their strike and today entered their ninth foodless day.

Fuehrer's Headquarters

July 28

In the area on both sides of St. Lo. the Americans continued their large-scale attack all day long. East of St. Lo the enemy made slight dents and our troops southwest of the town were pushed back south and southwestward in bitter fighting costly to both sides. Counter-attacks to close the front which has been torn open at several places are now in progress and 75 enemy tanks were destroyed. The enemy in the Caen sector made unsuccessful attacks on a minor scale. Our fighter and battleplane formations downed 10 enemy machines in aerial combats.

Our torpedo planes sank a 4.000-ton enemy tanker in the Seine Bay on Wednesday night and heavily damaged four transport ships of 25.000 tons and one destroyer. In the eastern part of the Seine Bay, coastal batteries of our army scored several direct hits on an enemy battleship. Escort vessels of our convoy shot down six out of eight attacking enemy fighter-bombers off the Loire estuary.

In the French area 42 terrorists were wiped out in fighting.

The area of Greater London is being subjected almost uninterruptedly to heavy V-1 retaliatory fire.

In Italy, the enemy made numerous local attacks. The anti-Axis reconnaissance thrusts were centered in the sector south of Florence and on the Adriatic coast. All attacks were repulsed before the enemy troops reached our positions. Early in the morning the enemy launched a large-scale attack on a wide front south of Florence and fierce fighting is now going on.

On the Eastern Front, the great defense battle between the Carpathian mountains and the Gulf of Finland further increased in intensity. Since the enemy had succeeded in various sectors in breaking into our front—at some places deeply—our forces were withdrawn from the front salients in some sectors in order to concentrate troops. In the course of the operations to straighten the front, the towns of Lemberg, Brest-Litovsk and Dvinsk were evacuated after the destruction of all important military installations.

In Galicia, our troops withdrew to new positions in the forefield of the Carpathian mountains from where they repulsed all attacks by the closely following Soviets. West of the San, fluctuating fighting against the advancing enemy spearheads is going on. Between the upper Bug and the Vistula, the Soviet attacks supported by tanks were repulsed in the course of bitter fighting and numerous enemy tanks were destroyed.

In the Bialystok and Kovno sectors, local Soviet attacks were foiled. North of Kovno, violent fighting against enemy tank and reconnaissance forces is in progress.

On the front between Dvinsk and the Gulf of Finland, numerous heavy attacks collapsed with heavy enemy losses. Our strong battleplane formations joined in the defense fighting of the army and destroyed 71 enemy tanks and more than 400 vehicles in low-level attacks. During the night, the Vilna Railway Station and the Soviet troop concentrations west of Lublin were subjected to raids by our heavy bombers.

American bombers made a terror attack on Budapest and German and Hungarian air defenses shot down 29 enemy machines of which 26 were four-engined bombers.

Last night, enemy planes bombed several places in western Germany and eastern Prussia. In the town of Insterburg, damage was caused and the population suffered losses. Three enemy planes were shot down.

TRADE TALKS BEGUN BY BRITISH, SOVIETS

Doubt Expressed Over Ability Of Britain to Meet Russian Postwar Demands

Special to the Nippon Times

LISBON, July 27.—Discussions on postwar trade have been begun by the British and Soviet Governments, it was revealed recently by Hugh Dalton, President of the British Board of Trade, says the London correspondent of the Manchester Guardian in his report on July 17. His report follows:

The talks on American-Soviet trade which Eric Johnston, President of the U.S. Chamber of Commerce, has been carrying on in Moscow have given new interest to the question on what Britain is doing to prepare for postwar trade with the Soviet Union.

Dalton has now revealed that trade discussions between the British and Soviet Governments have been opened. Various manufacturers have already made their own contacts with the Soviets apart from the official talks. However, some British firms need no new introductions to the Russian market.

Some months ago the writer of this report was shown over a heavy engineering works which had given over a large part of its colossal plant to the making of industrial equipment for the Soviet Union. Being produced at this plant was a piece of equipment which was claimed to be the largest hollow forging ever to be produced and which is to be the pride of a Soviet power station.

Few facts about the Soviet contracts already placed over here have become known concerning mobile power stations, transportable generating plants, port and engineering equipment, and other industrial machinery.

British exports of industrial machinery are already between two and three times as large as they were before the war. There is no question about postwar needs of Russia or about the ability of many British industries to compete with the American firms though some still have to face the test.

The problem regarding trade issues is repayment, as Johnston quickly found out in Moscow. The Soviet Government has estimated that it will need a large excess of imports over exports for a number of years, or, in other words, long-term credits are needed.

In this connection, Johnston was told that credits would have to be from 10 to 25 years. The British Government has already granted £35,000,000 worth of credits to the Soviet Union to cover part of the war shipments. That is, of course, very little when compared with the credits amounting to £600,000,000 which the Americans are talking about.

Our difficulty will not be financial but physical. Can our heavy industries make large quantities of machinery and plant equipment for Russia for which no imports of raw materials or gold will be received for many years, while they will be strained by reconstruction orders from our own industries and from countries which are able to send us goods in return? Here is the real difference btween the postwar situations of Britain and the United States. The only solution is the increase of the productivity of our industries, but this is more easily said than done.

4-Power Meeting Set

Domei

LISBON, July 27.—Edward Stettinius, U.S. Undersecretary of State, has been selected as the chief delegate of the United States to the Four-Power Conference to be participated in by the United States, Britain, the Soviet Union and Chungking to be held shortly in Washington, announced Cordell Hull, Secretary of State, at the press conference held today, according to a Washington report. The British Government has already appointed Sir Alexander Cadogan, Undersecretary for Foreign Affairs, as the British chief delegate to the coming conference.

21 Persons Are Killed As Transport Plane Crashes in Scotland

Domei

LISBON, July 28.—Twenty-one persons, including many wounded American soldiers, were killed last night when the transport plane in which they were riding crashed at Galloway, Scotland, according to a British dispatch. The plane was on its way from south England to Scotland carrying wounded American soldiers to a hospital in Scotland when it suddenly dashed against a mountain side and immediately went up in flames. All the passengers were killed instantly and most of them were burnt beyond recognition.

THANKS EXPRESSED TO SAIPAN HEROES

Stirring Resolution Adopted by Last Day Session of Central Cooperative Council

The glorious deaths of the officers and men of the Japanese forces on Saipan Island stirred the 100,000,000 people of the Land of Gods as nothing has done before and turned each and every one of them into fighting atoms whose only object is the overthrow the enemy.

This is the tenor of the resolution of thanks to the officers and men at the front whose adoption brought to an end on Saturday the Central Cooperative Council which was called on July 22, the day of the emergence of the Koiso Cabinet. The resolution was adopted by the 11th division of the Council which dealt with matters connected with the utilization and distribution of necessities of life.

The Council worked industriously, giving itself only two holidays while it was meeting. From 8 a.m. till about 6 p.m. the delegates to the convention, 230 in all, were employed almost continuously under the chairmanship of Admiral Seizo Kobayashi.

The Council also worked with great insight. It scrutinized every aspect of national life in Japan and gave unreserved expression to its opinions. There were no utterances made in the session that did not have a close bearing on the current situation. The sincerity in the attitude of the delegates was watched by the representatives of Government offices present.

The resolution of thanks to the Japanese Forces follows:

"The operations of the Imperial Forces on the continent have shown a phase marked with truly great things. The fight for the annihilation of the enemy in the Pacific has often produced great results. Now all the members of the invincible Japanese Forces on Saipan Island in the inner South Seas areas under Japanese control died in action: an event that must have moved the Gods to tears.

"Each and every one of the 100,000,000 of the Land of Gods is an effective. We pledge ourselves to rise, perform our functions with a sense of indomitableness and beat and crush the enemy.

"We hereby offer thanks to the heroes of the Japanese Forces at the front who, enduring great suffering, are performing the great task of guarding the Land of Gods and engaged in brave and heroic fights.

"At the same time we pray for the speedy recovery of wounded officers and men, and honor the memory of the departed heroes."

PREMIER CHANG TO SPEAK AT CONCORDIA MEETING

Will Outline State Affairs at Rally Slated for 4 Days Beginning September 2

Domei

HSINKING, July 27.—The Manchoukuo Concordia Association yesterday afternoon announced that its annual rally this year will be held for four days beginning September 2, with 115 regional and provincial representatives throughout the country attending.

It is understood that about 40 bills concerning measures to enhance the spirit stipulated in the Joint Declaration of the Greater East Asiatic Nations and increased agricultural and industrial products as well as labor mobilization will be submitted to the forthcoming annual rally.

Following the opening ceremony on September 2, Prime Minister General Chang Ching-hui will announce the outline of state affairs, while Rokuzo Takebe, Director-General, of the Board of General Affairs of the State Council, will explain the administrative policy.

REICH ARMY BREAKS ENCIRCLEMENT RING

Smashes Soviet Motorized Units in Carpathians and Fight Way to Caluzh

Domei

BERLIN, July 28.—The large German grenadier formation which was encircled and subjected to concentric attacks by Soviet motorized formations in the foothills of the Carpathians yesterday battled its way back to Caluzh under cover of counter-attacking German armored columns which killed several thousand Soviet troops and captured 1,200 prisoners and heavy weapons.

Meanwhile, with a view to strengthening the frontline and also to setting free other operative reserves, the town of Lemberg was evacuated by German troops. The Soviets pressed closely against the withdrawing Germans and attacked the rear-guards southeast and east of Lemberg, but through the support of German fighter and battleplanes, all Soviet attacks were checked and German movements were successfully carried out unhindered.

Soviet casualties in the hard fighting east of the town and in the city itself were especially heavy and 23 of their tanks were destroyed in the city area. Seventeen more were destroyed by German fighter units while German battleplanes accounted for an additional 31 Soviet tanks knocked out in the forefield of the city.

On the upper reaches of the Dniester, German tank formations captured the Soviet-held town of Sambor and annihilated several strong Soviet formations. The German garrison at Przemysl after fierce fighting destroyed 23 Soviet tanks and battled free to the west.

Evacuate Brest-Litovsk

In the central sector of the Eastern Front, the evacuation of the town of Brest-Litovsk was the major event of yesterday's fighting. Although the Soviets continued massed tank and infantry attacks throughout the day, the evacuation of the town was effected in full order and after the thorough destruction of all important installations. Thus the German front bulge was withdrawn and German mobile reserves were released for greater action.

Meanwhile, vigorously supporting ground operations, Luftwaffe squadrons yesterday struck at Jaroslav, west of Lublin and Brest-Litovsk.

In the Lithuanian sector, too, Luftwaffe formations intensified their operations and yesterday destroyed 32 Soviet tanks, about 200 vehicles and 13 guns.

Northwest of this area several actions by German armored forces closed gaps torn in their lines, while particularly savage fighting developed east of Kovno where the Soviets for the past two days unsuccessfully charged the German positions. Again yesterday, the Germans fully held their lines after fierce fluctuating battle. Altogether 113 Soviet tanks were destroyed or captured during the fighting on the central front yesterday and about 7,000 prisoners fell into German hands.

On the northern wing of the front, the Soviets after paying the price of 14 tanks moved into Schaulen and the German salient of Dvinsk was evacuated after careful destruction of all mobile installations and in particular roads and bridges across the Dvina river. Heavy fluctuating battle took place at Pleskau, but supported by German air units, the German defense forces there fully held their lines and in a powerful counter-thrust closed the gap.

On the Narva front, Dutch and Norwegian volunteer troops distinguished themselves in warding off strong Soviet tank attacks and knocked out 13 of their tanks.

VILLAGES IN FORESTS SET

5-Year Project Is Mapped Out for Eastern Java

Domei

SURABAYA, July 27.—The forests of eastern Java will be dotted with modern villages in the near future where each community is expected to attain the highest possible stage of self-sufficiency, according to a plan mapped out by the Eastern Bureau with the aim of providing labor required for forestry management.

Under a five-year plan, the villages, covering 10 hectares each, permanently inhabited by 200 to 300 families, will be created throughout the forest regions of eastern Java. A mosque, school, club house, library and hospital will be attached to every village, while self-sufficiency in food is expected to be attained without any difficulty by reclamation work. Facilities for cattle breeding also will be installed.

At present, five such villages are under construction, one in Malang Province, two in Kediri Province and the other two in Besoeki Province.

Press Comments

Saturday, July 29

SHIGEMITSU'S DIPLOMATIC POLICY

ASAHI—With Foreign Minister Mamoru Shigemitsu remaining in office from the previous Cabinet and concurrently assuming the portfolio of Greater East Asiatic Affairs, a new start is being made with the new weapon of a unified diplomacy.

The Foreign Minister in his declaration for his new start pointed out the three courses of the diplomacy of our country. That is to say: prosecution of the war in common with our Allies; realization of the Joint Declaration of Greater East-Asiatic Nations, and maintenance of friendly relations with neutral countries. We wish to interpret this as meaning war collaboration with Germany; rallying of all races of Greater East Asia and especially, as its core, realization of the great unity between the Japanese and Chinese nations and maintenance and fostering of friendly relations with the Soviet Union, which is a neutral country. And we believe that there is no objection to this interpretation. Perhaps there will be many people who would believe that we have thus merely expressed something extremely commonplace, in commonplace words, and without any particularly deep meaning. However, the three courses of our diplomacy thus expressed here are indeed pointing toward great ideals and directions. We must not lose ourselves in stereotyped ideas and generalizations. All the more, we must here clearly grasp the principles and ideals of our diplomacy.

The war of Greater East Asia, from its essential nature, will leave a great accomplishment in history. That is the liberation and resuscitation of the peoples of Greater East Asia. Moreover, this war that we are fighting now has taught as ever more clearly that America and Britain are the true enemies of East Asia, and our war aim can be nothing but the rise of the East Asiatic peoples. And is this not something higher and greater than any diplomatic aim that our country could hitherto uphold? The fact that the aspirations of all East Asiatic peoples converge on it, and that moreover it embodies the historical direction into which our nation must advance: this fact gives greatness to this ideal and makes it so inspiring with strength. To put it point-blank, this diplomatic ideal of ours: to rally the strength of all peoples of East Asia: to defend a resuscitated East Asia, and especially to realize the great unity between the Japanese and Chinese nations—this could not but resound powerfully in the innermost minds of our people.

Are the realistic problems of our diplomacy at the moment not probably just in this very realm? The ideal has already been held up. The strength to propel this ideal lies with the people. What makes the sounds of wheels reverberate on this iron path of our Japanese diplomacy, is the deep interest in and enthusiasm for diplomacy held on the part of the people. Always, and especially in the present situation, the people are interested in diplomacy, and to understand the ideals of the State. And one step farther, the people are hoping from their very heart that such a diplomacy would promise a glorious conclusion of the war which we are fighting now.

GERMANS DESTROY 84 U.S. AIR RAIDERS

Shot Down in Budapest, Vienna and Bucharest

Domei

BERLIN, July 28.—Altogether 29 American planes including 26 four-engined bombers were shot down over the Hungarian area particularly over Budapest during yesterday's mass terror raid.

Meanwhile, the latest count for the American raid on Vienna on July 26 disclosed a total of 43 planes shot down including 37 four-engined bombers.

An additional 12 enemy planes were shot down from the anti-Axis bomber formation which last night penetrated Rumanian territory and dropped explosive and incendiary bombes on the residential quarters of Bucharest causing fires in several places.

Flak batteries of a German air defense group stationed in Western Europe, it is learned, shot down more than 1,000 Anglo-American machines between June 6 and July 25.

Merseburg, Dessau Raided

Domei

BERLIN, July 28.—Anglo-American bomber formations penetrated central Germany early this morning and raided targets at Merseburg and Dessau. German air defense units went into action and shot down a number of enemy bombers, but no further details are available so far.

ENEMY IN HENGYANG FACES ANNIHILATION

Chiang Aid-Troops Brought to A Standstill; Reconstruction in Hunan Pushed

Domei

SHANGHAI, July 27.—Regarding the Japanese military operations and the reconstruction work now going on in Hunan Province, the Japanese Army Spokesman in Shanghai, who had recently returned from his inspection tour of the Hunan front, stated as follows:

"The attack against Hengyang is increasing in intensity, and the Japanese have already occupied a part of the walled town. The enemy reinforcements urgently dispatched by General Hsueh Yueh are now in a stalemate with their road of retreat cut by the Japanese Forces who had advanced from the south and west. Such being the situation, it won't be long before the enemy in Hengyang is annihilated.

"The destruction of the highway between Yochow and Hengyang by the Chungking army, especially the complete destruction of the road between Yochow and Changsha, had rendered the Japanese advance fairly difficult. However, the Japanese Forces are undauntedly pushing on their operations, simultaneously making efforts toward the repairing of the highway.

"It is noteworthy that the Chinese people in the area are closely cooperating with the Japanese Army toward the repairing of the road—a manifestation of the fact that they trust the Japanese Army. This fact is also observable from the large number of refugees returning to Changsha. It is stated that some several thousand people are daily coming back to Changsha and its neighboring areas. Those returning refugees immediately take up their former vocations, and Changsha is said to be speedily regaining its former prosperity. Needless to say, these phenomena are having a good effect upon the maintenance of order and the progress of reconstruction work. Japanese shops are also cropping up here and there.

"When the battle of Changsha began, the people in the area took refuge in the nearby villages, but upon returning to the city they found their homes safe as was notified by the Japanese supreme commander. Under the circumstances, the Chinese populace has come to profoundly respect the strict discipline of the Japanese Army and to trust the Japanese, and their hearty cooperation is daily being augmented.

"The price of rice in Hunan is only one-tenth of that in Shanghai, indicating a more stabilized economic life there than in Shanghai. Brightness now prevails in the farming villages of Hunan, but the unscrupulous American air force in China occasionally carry out blind bombings, killing innocent Chinese. Because of the occurrence of such incidents, the anti-American sentiment of the Chinese is daily mounting."

Japanese Send Tanks

Domei

LISBON, July 29.—The Reuter correspondent in Chungking yesterday reported as follows concerning the Hengyang war situation.

"In an interview with foreign correspondents yesterday, the spokesman of the Chungking army declared that the Japanese are now sending tank units from Changsha in order to launch a final storming attack against Hengyang which has been defended by the Chungking garrison forces for the last 35 days.

"Since the Chungking troops had systematically destroyed the railway lines and roads south of Changsha, the Japanese up to the present have not been able to use tanks and heavy guns in the battle on Hengyang. However, according to latest reports reaching Chungking, the Japanese appear to have already repaired the highways leading from Changsha to Hengshan and Japanese tanks have already made an appearance in the area north of Hengshan.

"Fighting in the Hengyang sector is now developing in the areas south, southwest, northwest and east of the city limit and the Japanese are now endeavoring to penetrate deep into the old city limits.

"At present the Chungking garrison forces are still holding the area within the limits and no change of any importance has occurred. Chungking defenders are receiving supplies by air and contact between the China-based U.S. air force and the Chungking land units is being effected.

"Outside of Hengyang, on the other hand, the Chungking reinforcements dispatched from Kweilin are moving toward Hengyang along the Hunan-Kwangsi Railway in an attempt to make contact with the defenders in the walled town. To smash this plan, the Japanese launched a vigorous attack.

"At one time the Chungking reinforcements reached a point one and a half kilometers from Hengyang but were forced to retreat after a furious Japanese attack.

"Chungking military authorities anticipate that the Japanese will shortly launch a big offensive for the reduction of Hengyang upon the arrival of tank and artillery formations in the Hengyang sector from the north."

U.S. FUEL LACK CONTINUES

Domei

LISBON, July 28.—There will be a shortage of 21,000 tons of coal in the United States by the end of the fiscal year on June 30, 1945, the U.S. War Coal Office told the disheartened American people who will be forced to wrap their overcoats tighter around them in the absence of sufficient fuel this coming winter, according to a New York dispatch.

Another New York dispatch quoted the Herald Tribune as stating that the Normandy invasion is causing an acute shortage of gasoline in the United States. The shortage, which was explained by the U.S. War Oil Control Board to be due to the huge amounts consumed by the invasion forces in Normandy, has compelled many New York service stations to put up "No Gas Today" signs. Such scenes are familiar sights these days, the paper stated.

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Sumatra
Bencoolen, Bukit-Tinggi, [illegible], Kota-Raja, Lho-Seumawe, Medan, Padang, Pakanbaroe, Palembang, Pangkal-Pinang, [illegible], Siboiga, Telok-Betong.
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Bandoeng, Bodjonegoro, [illegible], Djakarta, (Stationsplein & Noordwijk) Djember, Jogjakarta, Kediri, Madioen, Magelang, [illegible], Pamekasan, Pekalongan, [illegible] Kerto, Semarang, Serang, Soerakarta, Sourabaya, Tjirebon.
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BURMESE EFFORTS OF YEAR REVIEWED

War Front and Cooperation With Japan Placed First, Declares Ba Maw

Domei

RANGOON, July 27.—Terming the first year of Burma's independence as "just the beginning" of the much greater task of national revolution, Head of State and Prime Minister Dr. Ba Maw in a statement describing Burmese activities stated that the new sovereign State has put the maintenance of the war front before everything else during the past year.

Taking up the work accomplished under four headings, the Prime Minister said that under the first, namely, planning, following the modern trend, Burma had attached the greatest importance to formulating the right plans for both the present and the future, beginning last year with the new order plan which embodies Burma's new revolutionary spirit. In order to facilitate matters, it has been decided to establish a General Planning Board, and to give this board a proper start, the special Research Commission now on tour of East Asiatic countries has been ordered to collect as much information and material as possible.

Dr. Ba Maw next took up the work accomplished in the maintenance of the war front. "Needless to say," he declared, "the war must come before everything else because the first duty of the revolution is to defend itself. Our war effort during the past year has been entirely directed toward all-out cooperation with Japan's armed forces in Burma." He continued, "Burma is supplying food and many important raw materials to the armed forces of three nations; she is also supplying enough labor to undertake most of her wartime projects; she is fast getting ready an army which will soon be proving its mettle in large-scale combats; civil defense organizations and measures also have been completed during the past year, and in many other ways Burma is putting forth all her efforts into the war."

Lauds People's Efforts

The Burmese Head of State declared: "I claim special credit for my people that they have pulled through the difficult past year so splendidly. The coming years will be easier for several reasons. In the first place, Burma will have had time to readjust herself to the new conditions created by her independence; her war experience will have grown enormously; and the people are now fighting for something which is actually in their hands."

Taking up civilian matters and the setting up of the new State structure and its immediate problems, Dr. Ba Maw said that the work was proceeding so far as wartime conditions allowed. He said that Government leadership and responsibility had been made more important than representation and that the whole administrative machinery was being overhauled to realize this principle. Regional responsibility, initiative and self-sufficiency are being encouraged wherever possible.

Regarding the basic civil necessities, the Prime Minister said that every effort was being made to centralise supply and distribution of the basic commodities while the production of rice and other staple food cereals was proceeding according to plan. Cotton-growing was being encouraged as also cattle-breeding. Transport was being organized with a new Ministry of Supplies and Transport set up to deal with the work.

In conclusion, Dr. Ba Maw said that the Joint Declaration of Greater East Asia had definitely settled Burma's position in the new Asiatic scheme on a basis of national sovereignty, equality and reciprocity.

Kaneko Made President

Kiyota Kaneko, vice-president of the Industrial Equipment Corporation, was promoted to president of the Corporation, in succession to Hisatada Hirose, who had resigned the presidency to assume the post of Welfare Minister, it was announced on Saturday.

Ground Corps Graduation

The graduation exercises for the Army Air Ground Corps School at Gifu were held at 11 a.m. on Friday at the school grounds.

Obituary

Dr. Kazuo Noda, 27, Assistant Professor of the Central Medical Institute of the Mengchiang Government, died of pneumonia at his post in May. He had been invited by the Mengchiang Government in October last year and since then had been very active in guiding medical students in that region. Dr. Noda's thesis covering his research on intermarriage between the Japanese and Southern Regions peoples as well as with Chinese has been accepted and a doctor's degree conferred on him posthumously.

Irrawaddy Delta Reclamation Successful; Increased Production of Rice Main Object

By a Domei Correspondent

RANGOON, July 28.—Recognizing the importance of national self-sufficiency during wartime, the Burmese Government within a month following the establishment of new independent Burma, issued a New Order plan on August 31, 1943 which in part called for meeting the basic requirements of the civilian population including the fundamental necessities of food and clothing. To supplement the New Order plan with regard to food the Government on February 5 launched comprehensive measures regarding increased rice production aiming at the maintenance of self-sufficiency and ensuring a sufficient surplus to meet wartime contingencies.

One of the biggest projects to be undertaken this year by the Government covers the reclamation of the delta region which, when accomplished, will produce as much as whole Burma did for the previous harvest year.

On the eve of the first anniversary of independence, your correspondent toured the Irrawaddy delta where progress is being made by the new nation in efforts toward food self-sufficiency. This tour brought out in bolder relief the efforts of the farmers in the delta region to carry out the program of the Government despite immediate wartime problems.

Despite a formidable handicap, the delta region is trying to attain a full rice production, while striking success in self-sufficiency efforts in other fields is also reported. In the Henzada district in the north delta area, latest reports show that the quota for the region will be exceeded and an actual inspection has shown that the paddy-fields in every district have already been planted. Maubin district which is famous for its fishery lots, has already been planted with rice amounting to seven-eighths of its quota.

Figures are as yet unavailable for the Myaungmya, Bassein and Pyapon districts on account of the difficulty of making an estimate due to the fact that these are the three largest rice areas in the delta, but results attained in Henzada and Maubin encourage the belief that the quota will be met in the three regions.

The delta is also seeking self-sufficiency in other fields. In Henzada, cultivation was begun last year under Japanese guidance, while district officials are encouraging poultry and pig-breeding. Henzada has also started cotton planting in every village, and although the results are not up to expectations, vigorous efforts are being made for the promotion of cotton cultivation. Having always been the largest sesame and ground-nut area in the delta region, Henzada is exerting maximum efforts to attain self-sufficiency in foodstuffs.

Meantime, in a move to provide the delta district with salt and aiming for the supplying of Upper Burma, 10 out of more than 50 salt concerns in the Bassein district have been organized into a salt co-operative. The recently established cooperative is being aided in the manufacture of salt from sea water by the Japanese who are providing the necessary materials.

Although jute cultivation in the delta centers around the Maubin district, the growing of this important plant was also begun this year in the Bassein district with the initial planting of 50,000 plants.

With regard to cotton, several thousand plants have been planted in the Bassein district. New agricultural undertakings also include the planting of castor beans with a modest initial undertaking of 1,000 plants.

Considered as a whole, the outlook of self-sufficiency in the delta region is very encouraging with good results being attained despite labor handicaps and the number of new propects undertaken during the year. That established work is being pushed and new lines of endeavor are being undertaken all the while and measures are being adopted to strengthen home defense, points to bright prospects of success in the field of self-sufficiency not only for the Irrawaddy delta area but for Burma as a whole.

KAREN FARMERS AID BURMA FOOD DRIVE

Members of This Race Eagerly Take Part in Civil Defense Activities

Domei

BASSEIN July 28.—Contributing a full share of labor and manpower in direct support of Burma's war efforts, the Karen population is collaborating in the speedy realization of the new nation's goal of self-sufficiency, especially with regard to food.

The Karens are at the same time actively cooperating with the Japanese Forces by enthusiastically participating in civil defense activities and by dispatching Karen girls to serve as nurses in the Japanese Army hospitals.

Questioned in regard to Karen activities during the first year of complete Burmese freedom, Dr. San Cpo, Privy Councilor, and the son of Dr. Cpo, Public Health Bureau Chief of the Bassein district, in an interview here with Japanese and Burmese war correspondents, revealed that the Karens have been working for the construction of the new State by making large contributions of manpower.

Pointing out that 90 per cent of the 50,000 Karens in the Bassein district are cultivators, Dr. Cpo stressed that the Karen farmers have taken up a full share of the responsibility for the attainment of the new Burmese goal of food self-sufficiency.

"The Karens are a slow people," the Karen leader said, "but once they understand the situation, they do their work properly and well." He added that although many young people have turned to other work directly supporting the government's war efforts, the remaining cultivators are trying their best to cultivate as much land as before.

A representative of the local Japanese authorities told the correspondents how these two leaders have been exerting super-human efforts to collaborate with the Japanese Forces as well as with the Bassein district officials.

All questions regarding Karen activities are being handled through these two men. The father is a venerable old man with a white goatee and amiable disposition, while the son is a quick, frank, intuitive, and energetic person with a winning personality. They called attention to the fact that many Karen girls have taken up nursing to help the Japanese Forces.

Dr. Cpo revealed that the Karens are "very keen about joining in civil defense activities." It was disclosed that Karen villagers are actively participating in all phases of defense in the area in which they live.

The representative of the local Japanese authorities later revealed that the jungle Karens have rendered outstanding services in spotting enemy planes shot down over the delta area as well as in tracking down enemy airmen who have crashed and escaped alive.

Dr. Cpo again emphasized that the Karens are very slow at taking up new ideas, but, he declared, they are now realizing that there is a war which must be finished successfully. "Everybody must do his share," said the leader, adding that the outlook for the future is good, but there is much to be done by the united people for the united country, and the Karens are wholeheartedly buckling down to the task of building the new Burmese State.

FUJINO IS APPOINTED EDUCATION VICE-CHIEF

Nagai Named Director of General Affairs and Shibanuma Physical Bureau Head

Megumu Fujino, Director of the General Affairs Bureau of the Education Ministry, was appointed Education Vice-Minister, it was announced on Friday afternoon. The announcement also revealed that Hiroshi Nagai, Director of the Special Educational Bureau, was named Director of the General Affairs Bureau, and Naoshi Shibanuma, secretary of the Education Ministry, appointed Director of the Physical Bureau.

Mr. Fujino, 50, hails from Hiroshima Prefecture. After graduating from Tokyo Imperial University, he entered the government service. In January, 1935, he was appointed Governor of Kagawa Prefecture. In June of the same year he was named Director of the Vocational Education Affairs Bureau, and in July, 1937, appointed Director of the General School Affairs Bureau. In April, 1939, he returned to the Home Ministry and became Governor of Kagoshima Prefecture. Again returning to the Education Ministry in August, 1940, he was appointed Director-General of the Educational Affairs Board, and in January, 1942, he assumed the post of Director of the General Affairs Bureau.

Nakamura Made Secretary

Seigo Nakamura has been appointed private secretary to Taketora Ogata, president of the Board of Information.

INDIAN SPOKESMAN HITS FOE'S CANARD

Compromise Between Gandhi And British Unlikely at Present, Says Sivaram

Domei

SHONAN, July 27.—"There is no more mystery over the Indian political horizon—the clouds of British propaganda are fast melting away—and it is now certain that there can be no compromise between Mahatma Gandhi and the British Government." This was the clear-cut viewpoint of the present political outlook in India as expressed by M. Sivaram, Spokesman of the Provisional Government of Azad Hind, in an interview yesterday.

He declared, "Thanks to Mahatma Gandhi's superb statesmanship, British hypocrisy stands unmasked again. And there is no danger of British propaganda deceiving India or the world." Reviewing the news and views regarding the Indian situation as put out by the British in the last few weeks since they started boosting the "compromise bogey," the Spokesman said: "The British have been blowing hot and cold air all the time, and we have heard a series of half-truths and untruths with the wholesale suppression of unpleasant facts all nicely presented to create a fantasy of a political victory for the British Raj in India.

"Thus, we heard of Gandhi 'climbing down' and rushing to help British war efforts. We heard the voice of British imperialists and their agents gloating over 'the changed policy' of the Congress. And we heard of Wavell, Amery and the bunch of them all sitting tight and serene and planning the intensified exploitation of India after the war. It was a clever and calculated game of the British to undermine the morale of Indian revolutionaries. Nevertheless, Gandhi has beaten them hollow at their own game and in his own inimitable style."

The Spokesman referred to Gandhi's offer to Mohammed Ali Jinnah, president of the Indian Moslem League, agreeing in principle to the Moslem League demand for the Pakistan and said that the offer was meant to stress the need for consolidating all the India front against Britain and to expose the hypocrisy behind the British claim that they would grant independence to India if only the Hindus and Moslems could find a solution to the communal problem. He added that Gandhi has succeeded in his plan of exposing Britain's hypocrisy and this was clearly seen in the hostile British reaction to his proposal.

Characterizing the Mahatma's statement last Tuesday that "victory—that is the complete independence of India as a whole—is a certainty" as reflecting his confidence in the attainment of complete independence, Mr. Sivaram said that even in face of so unambiguous a statement "the British want us to believe that Gandhi is rushing to help Britain and hold India in bondage."

Referring to the Indian debate in the House of Lords, Mr. Sivaram declared: "No Indian is interested in the pompous prattle in that House of hereditary imbeciles among British plutocrats. It is futile to expect their lordships to think or talk of anything else. They have just repeated, parrot-like, what other British imperialists have said before them—that the British must retain India, that they must protect minorities, that the Viceroy and the Government must have autocratic powers, and that the Congress leaders may very well languish in prison if they do not care to be slaves of the British, etc. But, behind all this tall talk, their ignoble lordships are all seized with panic. They are like a bunch of frightened cows—frightened of nationalist India and its leader, Mahatma Gandhi. That is why they have been so abusive of Gandhi."

He added that the reaction in the House of Lords shows beyond any shadow of doubt that Gandhi is not rushing to help British war efforts in India. Continuing, Mr. Sivaram asserted: "The forthcoming debate in the House of Commons will reveal more than what has come out so far, but as it is, the picture is clear enough. There is no basis for any compromise between Gandhi and the British Government. It is a fight to the finish—this fight between Britain and India. And as Gandhi himself has said, all India is confident of victory and the attainment of complete independence."

East Asia Round-Up

Nippon-Bali Dictionary

Domei

SINGARADJA, July 29.—The compilation of a Japanese-Bali language dictionary, containing about 5,000 words, was completed here recently. The new dictionary will facilitate the learning of each other's tongue by the native inhabitants and Japanese residents.

Training Dyak Pastors

Domei

BANJERMASIN, July 29.—A six-month course for the training of Dyak assistant pastors commenced here on July 21 by administrative authorities and 20 trainees are at present studying various subjects, including the history of the Christian Church, Japanese history, Japanese language and music.

To Train Farmers

Domei

HSINKING, July 29.—The Fengtien Provincial Government has decided to establish a farmers' training center at Anshan on August 1, with the object of giving special training to young Manchoukuo farmers and young members of the Japanese Immigrant Corps.

Issuing Malai Weekly

Domei

TARAKAN, July 29.—A Malai weekly paper will be published here from August 1 at the suggestion of the Tarakan Provincial Government authorities.

Lu Sees Premier Chang

Domei

HSINKING, July 29.—Lu Yung-huan, Manchoukuo Ambassador to China, returned here last evening to confer with the home Government authorities. After paying respects at the Imperial Palace this morning and calling on Chinese Ambassador Chen Chi-cheng and Prime Minister General Chang Ching-hui this afternoon, the Ambassador will hold a half-hour conference with Foreign Minister Li Shao-keng when he will report on the latest developments in China.

Nautical College Opens

Domei

SHANGHAI, July 29.—The opening ceremony of the Nautical College of the Nanking Government was held on July 25 at the Central Naval Academy at Voyron Route attended by Japanese and Chinese dignitaries, including Chinese Navy Minister Jen Yuan-tao.

Laurel Exhorts Teachers

Domei

MANILA, July 29.—In a radio message on July 24 addressed to Filipino teachers on the occasion of the opening of the first academic year under the new Republic, President Jose P. Laurel emphasized the great responsibility resting on the shoulders of teachers in moulding new citizenry imbued with the heightened spirit of nationalism in keeping with the establishment of the new order in this part of the globe.

Cable Briefs

U.S. ARMY DESERTIONS IN ENGLAND INCREASING

Desertions among the United States forces in England have become so frequent that one day each week has been set aside as non-leave day on which the soldiers are not allowed to leave the barracks, according to statements by British prisoners.

Any soldier seen outside the barracks on this day will be arrested by the British military authorities. It has been revealed that 30 men per company are deserting on an average of whom the majority disappear altogether.

RECKLESS YANKEE DRIVING KILLING OFF AUSTRALIANS

Carrying their reckless driving into Australian cities, American soldiers are being blamed for a number of fatal accidents in the Commonwealth. A jury in the civil court of Melbourne decided recently that the Commonwealth would have to pay £3,385 damages to a woman whose husband was killed by a car driven by a member of the United States forces.

It was explained that under National Security Regulations the Commonwealth is legally liable for any damage incurred by members of the United States armed forces.

WORKING HOURS LENGTHENED IN AMERICAN WAR FACTORIES

Indirectly admitting poor production, the United States War Department has just issued an order lengthening working hours in war industries. The order applies immediately to factories and plants overloaded with accumulated orders and will affect military as well as civilian personnel. The working hours will be lengthened from 48 to 54 hours a week.

LOS ANGELES LEADS RENO AS DIVORCE CENTER OF U.S.

Los Angeles now leads Reno as the divorce center in the United States, according to a U.P. report appearing in the Dagens Nyheter. During the first six months of 1944, 6,712 marriages and 5,040 divorces were solemnized at Reno. During the same period Los Angeles legalized 11,799 divorces and 16,577 marriages.

Chinese Heads Renew Resolve to Win War For Asia's Liberation

Domei

NANKING, July 29.—Responding to a message dispatched by Japanese Prime Minister General Kuniaki Koiso, on July 24 exhorting Chen Kung-po, Mayor of Shanghai and concurrently Acting-President of the National Government, and Chou Fo-hai, Finance Minister and concurrently Acting-President of the Executive Yuan, to exert further efforts for the prosecution of the war in cooperation with other Axis nations, the following reply was dispatched by the two eminent Chinese leaders on Thursday: "By consolidating China's relations with other Axis nations, we are fully determined to mobilize our total strength to bring about final victory. We pledge anew to live or die together with our comrades-in-arms for the successful termination of the current war and for the liberation of the peoples of East Asia."

Mrs. Koiso En Route Here

Mrs. Kuniaki Koiso, wife of the Prime Minister, Takeo Tanaka, former Vice-Governor-General of Chosen, and family members of those connected with the Chosen Government-General, numbering 25 in all, left Shimonoseki for Tokyo on Friday morning.

Matsuda Given Post

Michiyoshi Matsuda, principal of the Chosen Government-General Law School at Keijo, has been appointed chief civil administrator of the Army on Saturday.

Okijima Made Secretary

Kenzo Okijima, a former member of the Diet, has been appointed private secretary to Toshio Shimada, Minister of Agriculture and Commerce, it was announced on Saturday.

JOURNAL IS PUBLISHED BY INDIANS IN MANILA

Dedicated to Netaji; Laurel Gives Message Praying For India's Freedom

Domei

MANILA, July 27.—Carrying a message from President Jose P. Laurel, the Indian journal titled "On to Delhi" came off the press yesterday.

Published by the local chapter of the Indian Independence League, the journal is dedicated to Netaji Subhas Chandra Bose, the "fearless champion of the Indian Independence Movement and uncompromising exponent of the cause of the motherland . . . whose unexcelled patriotism and firm conviction, coupled with his defiance and aggressiveness has instilled fear and terror in the British hierarchy."

In his message, President Laurel said, "The battle of Indians for freedom is an integral part of the struggle to decide whether this country shall belong to the all encroaching power of individualistic Western imperialism, which is premised on political disintegration in Europe and racial division in Asia, or whether this country shall be dedicated to peace, reciprocity and co-prosperity of nations of every race and clime. Knowing what this all means to all Asians, Filipinos can only pray that God will speed the day of India's liberation."

The magazine also carried messages from Foreign Minister Claro M. Reoto and Shozo Murata, Japanese Ambassador to the Philippines. Edited by Karam Singh Gill, the Spokesman of the local chapter of the Indian Independence League, the 148-page journal, through well-organized contents consisting of pertinent articles, portray "the true situation in the motherland so that the world, particularly our Filipino brethren, may know our inglorious and miserable destiny under the Union Jack and the righteousness of our cause."

Takiyama, Saito Appointed

Following the resignations of Yoshinari Kawai, director of the Shipping Bureau of the Marine Transportation General Affairs Board, and also of Dr. Shigeyoshi Matsumae, director of the Engineering Bureau of the Communications Board, who was called to the colors, the Ministry of Transportation and Communications on Friday announced that Toshio Takiyama, an engineer of the Shipping Bureau, has been appointed director of the Shipping Bureau of the Marine Transportation General Affairs Board, and Shoichi Saito, a departmental head of the Engineering Bureau, has been named director of the Engineering Bureau of the Communications Board.

Cabinet Meeting Place Set

Cabinet meetings, as a rule, will be held at the Prime Minister's official residence hereafter, according to a decision reached at the Cabinet meeting on Friday. Since February of this year, the former Tojo Cabinet had been holding its Cabinet meetings within the Imperial Palace. Prime Minister General Kuniaki Koiso has been giving this matter due consideration since the formation of his Cabinet.

Shigemitsu Sees Umezu

Foreign Minister Mamoru Shigemitsu called on General Yoshijiro Umezu, Chief of Army General Staff, at 5:30 p.m. Friday.

Classified Ads.

Advertisements or replies to the same by POSTCARD, should be TYPEWRITTEN and accompanied by the nationality, name and address of the sender in Japanese.

Situation Wanted

COOK-AMAH, middle aged, well experienced, seeks position in Tokyo. Apply to Box No. 144, Nippon Times, Tokyo.

EDUCATED Japanese gentleman, seeks position in foreign firm in any capacity. Can speak and write English well. Apply Box No. 148, Nippon Times, Tokyo.

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REAL estate, bought, sold or administered. Apply to Kurosawa Real Estate Agency, 126 Furuichi-cho, Kamata-ku, Tokyo. Tel. Kamata 3517.

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FURNISHED foreign style house with 8 rooms to let in Akasaka. Please apply to Box No. 146, Nippon Times, Tokyo.

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For Sale

CHIPENDALE sterling silver table set, plain, each consisting of 2 candle stands, desert plates, meat plates, fish plates, sauce-boats, flower bowls and flower vases. Only slightly used, no initials. Upholstered containers for each pair. Best offer or trade with piano. Apply Box No. 142, Nippon Times, Tokyo.

ELECTRIC water pump, in good condition, complete with motor, tank, meters and automatic switch. Make offers. Apply Box No. 147, Nippon Times, Tokyo.

TUXEDO and smoking jacket. German made, in excellent condition, also 2 short shirts. Please apply to Box No. 145, Nippon Times, Tokyo.

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K. IIZUKA, D.D.S. (Penn., U.S.). Specialist in crown, bridge and porcelain work. Office hours: 9 a.m. to 5 p.m. Room 651 (6th floor), Marunouchi Bldg., Tokyo. Tel. Marunouchi 23-[illegible].

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MASSEUR and masseuse. Will call on appointment. Legation and embassy staff and prominent foreigners are listed among our patrons. Makimura Chiryo-sho, 23, Sakuragawa-cho, Shiba-ku. Tel. Shiba 43-3787.

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HIBIYA HOSPITAL. Surgery, skin and blood diseases. Director Dr. S. [illegible], M.D. English and German spoken. Hours: 9-11 a.m., 2-4 p.m. 3 minutes from the Imperial Hotel and Shimbashi Station. Tel. Ginza 57-[illegible].

PROF. Dr. K. Nakajima, skin and blood disease specialist. English French and German spoken. Hours: 9-12 a.m., 3-6 p.m., mornings only Sundays and National Holidays. 1 Ginza-nishi 3-chome, 2nd floor of Taya Store on street car line from Sukiyabashi, a few blocks from Imperial Hotal side entrance. Tel. Ginza 57-0315.

General

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OBITUARY NOTICE

Mr. Kiyoshi Kumai of the Kokusai Bunka Shinkokai and Mr. Gil Balais on the non-official staff of the same society died in an accident while on an official mission. Funeral services will be held at the Hongo Church, Yumi-cho, Hongo-ku (Kasuga-cho tram-stop) on 31st of July from 2 p.m.

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TOKYO, SUNDAY, JULY 30, 1944

"Not for America Alone"

The recent statement of the London Times correspondent in Chungking that the development of China in the future "should not be left for America alone to undertake" reveals the stark character of the rivalry between the United States and Britain to foist their imperialistic designs on China.

Their rivalry at present, to be sure, is restricted to the mere making of loans and the sending of technical missions to Chungking. In 1942 the United States made a loan of $100,000,000 to the Chungking regime, a loan which the latter must pay back in valuable raw materials and resources. The United States has also been sending technical experts on agriculture, finance, industry and transport to Chungking. The number of such experts total fifty at the present moment. But in May of this year, Britain took her first action to countervail this economic penetration of the United States into Chungking China by extending a £50,000,000 sterling loan and concluding another agreement to supply the rebel Chinese with British Lend-Lease war materials.

Seemingly innocuous as these methods of economic encroachments may be, they nevertheless form points of departure for even more intensive forms of imperialistic exploitation. The United States and Britain, for instance, have their eyes greedily fixed on China as a market for their export products. Vice-President Henry A. Wallace of the United States, in his speech at Seattle, Washington, recently, blandly declared that the new economic frontier of the United States now extends to Siberia, China and the regions of Central Asia. These areas, according to Wallace, are to form America's future fields for "new enterprise, new investments, new trade and new accomplishments" to keep up the war boom in the United States for many years to come. Britain also is selfishly planning, in view of her enormous foreign indebtedness, to increase her exports to China, not with the object of improving the lot of China, but to ensure "employment and a high standard of living in Britain after the war".

Vain though these Anglo-American economic plans are, they reveal the stark, unscrupulous ambitions of these countries to exploit the peoples not only of China and Central Asia but also of Asiatic Russia. They leave no other course for the people of this continent than to continue relentlessly their war against Anglo-American imperialism.

Labor Unrest in Mexico

One outstanding phenomenon in the Western Hemisphere today is the infiltration of Communism into Mexico. Recent reports from abroad indicate that there is seething unrest among the Mexican working class and that there have been labor disputes in the railway and mining industries behind which, these dispatches allege, the Soviet Ambassador to Mexico is playing an important role.

The social and economic conditions within Mexico in the past as well as at present no doubt are a factor contributing to the percolation of Communism among the Mexican proletariat. Mexico has been associated in the minds of many people of the world in the past as a left-wing nation of the Western Hemisphere. Even as early as 1911, Mexico had been the scene of a revolution in which the peasant class tried to release itself from the bondage of serfdom.

This early violent demonstration against the ruling class was, of course, not a social revolution in the strict sense of the term. It was a revolt against the Mexicans of Spanish descent who formed the ruling class. The revolution was not guided nor inspired by any leftist ideology; there was no real manifestation of a subjective desire among the oppressed Mexicans for a fundamentally different pattern of life. Thus, though the revolutionary government which was subsequently established adopted a capitalistic policy, there was no opposition from the liberated peasant people.

There was, however, a visible tendency in the direction of communization. This was manifested in the promulgation of the Agrarian Land Law under which the properties of the privileged class were turned over to the peasants. The measure failed to achieve its objectives but nevertheless, significantly, it proved a bridge between the Soviet Union and Mexico with the result that these two countries temporarily established diplomatic relations in the 'thirties.

The communization of Mexico, due to the nature of her social organization, is not an impossibility. This is particularly so in view of the fact that the capitalists of the United States and Britain have been exploiting Mexico to the detriment of that country. This merciless exploitation is the factor which is breeding the discontent which is driving the country toward Communism.

SONGS FROM PRISON

By MAHATMA GANDHI

Our God is very near:
Nay, he is within us:

And yet, we see him not,
All our lives long, we seen him not:

Lord is he, Lord and Indweller,
Of all the worlds,
And yet the worlds perceive him
not:

Thanks be to him for holy souls,
Who see him, and reveal him:

Thanks be to him that, seeing
them,
We look within,
And find him also here,
Deep-hidden in ourselves.

• • •

My God,
Thou, who art mercy and love,
Ocean-deep,
Ocean-wide,
Hear this my prayer:

At one sharp cry of pain
Thou art with the despairing
soul:

In pity, power, saviour-love
Thou comest:

All lovely, gracious things,
Thou teachest:

Grant this my prayer,
That evermore my soul may
dwell intent
In vision of thy beauty.

A Year Ago Today

July 30, 1943

An Associated Press correspondent today criticized the American War Department for not disclosing to the public the true number of losses in the wounded and dead in Attu. The correspondent said that the official announcement did not include the number of men disabled from frostbites and from other causes.

• • •

The reports on the fleeing of Count Galeazzo Ciano, former Italian Foreign Minister, from Italy varies, but according to latest reports from London, the Daily Telegraph reports that the former Italian Foreign Minister and Ambassador to the Vatican had already reached Germany with his wife and children. A French report said that Count Ciano was arrested a few miles from the French frontier while attempting flight out of the country.

• • •

According to latest report from New York, a clothing rationing system is to be adopted in the United States very shortly. In view of the large demand for clothing for troops and shipments abroad, stocks in United States have diminished rapidly, therefore rationing has become necessary.

• • •

Although the United States has been concentrating their ship building efforts in constructing Liberty type ships, these vessels have proven so very poor in many cases that the Government is now contemplating the construction of a new Victory type ships in the next fiscal year. However, in changing over from the Liberty type ships to the Victory type, conflicts and rivalry have already cropped up among various war organs of the United States Government, so that the shipbuilding plan of the American Government is expected to have difficulties in carrying out its plan.

• • •

A large number of persons were arrested by police authorities of Panama on the suspicion of engaging in an anti-Government intrigue. Among those arrested were one former vice-President and many police officers.

LYTTELTON'S SLAP AT U.S.

Motive of British Minister's Outburst Studied

Editor's Note: The statement of the British Minister of Munitions Production, Oliver Lyttelton, on June 20 has aroused a storm of indignation in the United States. What was Lyttelton driving at? What made him make this statement? The Toyo Keizai Shimpo makes an interesting analysis of Lyttelton's speech in an article entitled "Did Lyttelton Make a Slip of the Tongue?"

Who is responsible for bringing about the War of Greater East Asia? To answer this question is not as easy as it sounds. Even the question of war guilt in the first World War has not been satisfactorily answered yet.

In answering this question, it is first essential to determine whether the war arises spontaneously or whether it is the result of the work of a human agency or of a State. If it is assumed that war is a spontaneous affair or, as the leftists claim, the inevitable result of a capitalistic order, the issue is not whether who brought on the war but who was in power at the time the war commenced. War, in this case, would be the result of a system—something that comes in a cycle. On the other hand, if it is assumed that war is the work of a human agency or of a State, then clearly there exists the question of war guilt.

The Anglo-American countries adopt the latter theory. They allege, for instance, that the responsibility for the first World War rests on the shoulders of the Kaiser and his followers. It is a favorite, unscrupulous practise of the Anglo-American countries on legal and moral grounds to pass the responsibility on some one else in view of the enormous sacrifices and destruction entailed in modern warfare. In the present war, they have not hestitated to blame Adolf Hitler and the National Socialist system as well as the attack on Pearl Harbor as causes for the current world-wide holocaust.

Lyttelton's Admission

In regard to the responsibility for the outbreak of the War of Greater East Asia, an official in the British Cabinet places the blame on the United States—a charge which has caused no small consternation in that country. The occasion was the American Chamber of Commerce meeting at London on June 20 when British Minister of Production, Oliver Lyttelton, in alluding to Japanese-American relations, stated: "It is travesty on history ever to say that America was forced into the war. America provoked Japan to such an extent that the Japanese were compelled to attack the Americans at Pearl Harbor." Continuing, he declared, "Everyone knows where America's sympathies are." He added that he had always placed Britain's needs and interests just ahead of those of the United States, while the American representatives did likewise for their country "but we have always found in the end that our respective interests are not very different."

A storm of criticisms was raised in the United States over Lyttelton's speech. The United States Secretary of State Cordell Hull, in a burst of anger, denounced Lyttelton's statement as "entirely in error." Stated Senator Scott W. Lucas: "Regardless of any correction which may be made later, those original words will cling in the minds of the American people as a most incredible and stupefying statement yet made by a high anti-Axis official during the war." The newspapers in the United States, through their reports and in their editorials, also bitterly attacked Lyttelton's statement.

Britain, it appears, was rather startled by the howling indignation in the United States. British Ambassador to the United tSates, Lord Halifax, saw Hull to express his apology; Prime Minister Winston Churchill, according to an unverified report, is also stated to have expressed his regrets. Lyttelton also hastened to explain that there was a clear misunderstanding of his statement that the Japanese were forced to declare war on the United States. Then, in a second statement on June 21, Lyttelton said in the House of Commons: "I want to make it quite clear I do not complain of being misreported and that any misunderstanding is entirely my own fault." The commotion created by this issue is yet the largest and most clamorous since the war.

U.S. Indignant

The fact that the United States emptied her vials of wrath at Lyttelton's statement would seem to suggest the old proverb that "Qui s'excuse, s'accuse." The ironic fact of it all is that the United States which professes to be the sole custodian of peace and is, in fact, self-intoxicated, has been charged with the responsibility for the War of Greater East Asia. She was not accused by the Axis countries but by one of the Cabinet officials of her ally. Is it any wonder that the American government and people have waxed indignant?

But there is another interesting point. While the British have expressed their regret toward this incident, they have maintained a strange silence. Lyttelton himself, while apologizing as "entirely my own fault" the part of his statement that had been considered improper, did not deny the truth of the statement.

Then, what was the actual motive of Lyttelton in making this charge. Some commentators claim that Britain had struck back in retaliation against the United States which has indirectly and directly in the past expressed her dissatisfaction over the lack of British interest in the War of Greater East Asia. Those commentators claim that the moral of Lyttelton's statement is that since the United States was positively responsile for causing the War of Greater East Asia, it is but natural that Britain would not have much interest in the Pacific war.

This explanation, in my opinion, goes a little too far. It does not seem that Britain, in defending her own position, would go to the extent of arousing the anger of the United States. Moreover, the Europe-first policy of the United States has been her past policy—a point which has been agreed upon at the various Roosevelt-Churchill meetings. It would seem more proper to interpret Lyttelton's slip of the tongue in this manner: That, in giving expression to America's sympathy toward England, he had unwittingly made this disclosure.

According to the news reports of that time, it was stated that Lyttelton had made this statement when he strayed from the prepared manuscript. That undoubtedly is true. The brazen, bulldozing tactics of the United States toward Japan before the War of Greater East Asia must, indeed, have given the astute diplomatic people like the British the same impression that Lyttelton has of the United States. Even Craigie himself seemed to share this impression. At any rate, Lyttelton's exposure that the responsibility for the outbreak of the War of Greater East Asia lies with the United States is a pertinent reminder at the time when the Japanese people are renewing their war resolve.

War Aim and Propaganda

Lack of Objective in Present Conflict Forces Enemy to Invent Insincere and False Reports

By KANJIRO TANAKA
Of the Board of Information
(From the Taiwan Jiho)

After the outbreak of the present European war, an interview took place between President Roosevelt and British Prime Minister Winston Churchill on board the British battleship Prince of Wales (which was later sunk by the Japanese Air Force), and the outcome of this meeting was the publication of the Atlantic Charter. Embodying the war aims of the Anglo-American camp, the Atlantic Charter declares, first and foremost, that their countries (Roosevelt's and Churchill's) seek no aggrandizement, territorial or otherwise, and that they desire to see no territorial changes except as a result of the freely expressed wishes of the peoples concerned. This declaration met with a very enthusiastic reception at the hands of small neutral countries, as indeed, it was designed to entice those into the Anglo-American camp. This document so flauntingly made public, however, is now nothing more than a dead letter.

As the relationship between America and Britain, on the one side, and the Soviet Union, on the other, grew more and more complex, the fine avowals contained therein have been rendered null and void, especially in regard to Europe. For instance, America and Britain are now deliberately giving a wide berth to the principle which they once urged so zealously, though for propaganda purposes, that they would recognize no territorial changes except as a result of the freely expressed wishes of the peoples concerned. Their war aims have already become unterrable to them. This is quite natural, for their war aims are mere makeshifts invented to serve propaganda purpose.

Japan's war aims on the other hand is noble. It offers a refreshing contrast with the enemy's. It is absolutely unchangeable because it is true and sincere. We see it set forth clearly in the Joint Declaration adopted at the Assembly of Greater East-Asiatic Nations. Even before the outbreak of this war, Japan gave open expression to her set purpose of establishing a Common Prosperity Region of Greater East Asia. Japan's choice of this catching phrase, "the establishment of the Common Prosperity Region of Greater East Asia," caused no small vexation to America.

Accelerating Reconstruction

While conducting the war vigorously, on the one hand, Japan is, on the other, pushing the work of restoring peace and accelerating reconstruction within the Common Prosperity Region, and her efforts in these directions are meeting with success unheard of in the annals of wars.

In the Joint Declaration of Greater East Asia are set forth under five items the main principles to be acted upon. It is conformable to these principles that Burma and the Philippines have been helped to attain their independence, the Javanese given the right to take part in the government of their own affairs and India promised aid in her endeavor to secure independence. In any case, Japan never failed to carry out what she has pledged herself to do. So remarkably different is her attitude from that of America and Britain who think nothing of changing their war aims as the war situation alters. At any rate, it may be said that in the thought warfare, insofar as it concerns war aims, Japan is superior to her adversaries.

Japan is reputed to be a poor propagandist. In point of technique, she may, indeed, be inferior to America and Britain, but mere technical skill in propaganda work will be of little avail. Japan's war aim is incomparably superior to that of her enemy, for it is based on the conviction that the world stands in need of reconstruction. Small wonder is it that righteousness should be singularly wanting in the war aims of America and Britain who are bent on the maintenance of the old and inequitable order of things.

It is noteworthy that a section of the Chinese people who were at one time so implacably hostile to Japan have turned their backs on Chungking as they came to understand Japan's war aim, while the Filipinos, who once appeared so irrevocably addicted to American ideas, and the Burmese and others have come to support the Japanese cause, once they realized the justice of Japan's war aim. No war aim wanting in truthfulness can really appeal to any truthful people.

In the former World War, British propaganda against Germany was a great success, as was generally admitted, and events showed that British propaganda was based largely on falsehoods or distorted facts. Brazen-faced as she was, Britain did not feel any qualm of conscience when the truth about the nature of her propaganda came out after the war

False British Accusations

Disclosures were made in books written by some who took an active part in British propaganda work. It was confessed, for instance, that British propagandists let loose on America shocking stories of German brutality with a view to dragging America into the war. Among the stories fabricated for the purpose was one which accused Germans of the fiendish deed of enemy soldiers killed in battle for the manufacture of gunpowder. Such fabrications had their effects on the Americans, prudishly humanitarian, whose feelings became more and more estranged from Germany. To give color to these stories of their own invention, British propagandists dared to fake up pictures by piecing together disconnected photographs—pictures designed to represent the dead bodies of Tommy Atkins being conveyed into German factories. It is doubtfu whether propaganda work of this kind will stand any chance of success nowadays.

Various causes may be given to account for the success of this spurious British propaganda in the former World War, but one of the main causes was that the organs of communication were not then so developed as at present and that Britain had control over 70 per cent of submarine cables then in operation. Few submarine cables which Germany had under her control in the North Sea were cut off by the British Navy as soon as the war started. Encircled, as she was, by hostile countries, Germany could not even send her newspapers into neutral countries. Placed in this unfavorable position, she could do nothing effectual to expose British falsehoods. In the present war, Germany is invulnerable to egregiously barefaced British propaganda of this ilk, for she is in a position to explain, through radio, her position and her point of view to the world, despite all the obstructive tactics adopted by her enemy.

Chungking is notoriously adept at propaganda. Its propaganda follows closely in the footsteps of deceptive British propaganda in the former World War. To give one or two examples, there were set afloat by Chungking propagandists rumors of the sinking on the Yangtze of the Izumo, the flagship of Admiral Hasegawa (the Governor-General of Taiwan at present) who commanded a Japanese Squadron then, and also of the death in battle of Admiral Nagano, the Commander-in-Chief of the Squadron in China waters. These canards emanating from Chungking sources were sent out from Shanghai by the A.P. news agency. The A.P. and U.S. correspondents in Tokyo, on receipt of instructions from the home offices to ascertain the truth of these reports, hurried to the Navy Department, where they were surprised to meet Admiral Nagano, hale and hearty, who chanced to be in Tokyo then. As the above example shows, the improved means of communication now available leave little room for the success of spurious propaganda.

Propaganda must be based on facts, if it is to be really effective. The high credit enjoyed by the communiques issued by the Imperial Headquarters is illustrative of this truth. Britain has presumably learned that it is not the way to command the confidence of her own countrymen and her allied nations to indulge in deceptive propaganda as she used to do during the former World War, for she made no attempt to conceal the sinking of the Prince of Wales and the Repulse when the disaster took place. This seeming frankness may, however, be ascribable to some ulterior objects which the British authorities had in view. That is to say, by publishing the fact of defeat without mincing matters they intended, for one thing, to stimulate the fighting spirit of the nation which had been showing signs of dwindling. It also seems that by giving out candid reports of defeat once in a while the British authorities sought to give their own and neutral nations the impression that British war reports were reliable, so that those nations might more easily be taken in by false reports which they would deliberately give out occasionally.

A COMMON MONETARY STANDARD

Currency Parity to Rest on Relationship of Economic Systems

By TAIZO TAKAHASHI
Professor of Tokyo University Of Commerce

Part II

In Greater East Asia, it has already been decided that the various component countries use their own currency, but all these currencies must be absorbed within the common currency system, making it inevitable that there be established a common monetary standard or what is known as Wahrungsgemeinschaft, which means the placing of the various currencies under a common system. Thus will the currencies of the various countries be readily exchangeable and provide the basis for the construction of a common economy. The standard, in this case, does not mean one currency for the whole region, but a joint unit.

In view of this fact, there is a great difference between the currency set-up of Greater East Asia and that of the role of gold or of the pound or the dollar which, respectively, formed the basis of the economy of the United States and Britain.

The next problem is the internal nature of this common monetary standard or Wahrungsgemeinschaft. It might well be discussed from two angles: (1) the relationship of the standard to the common-prosperity region economy and (2) the relationship between the common standard with the currencies of the various countries or, in other words, the question of parity. The difficulty to be met in the discussion of the first angle to this question is to be found in the fact that the new monetary standard differs in technique and other phases with the standards of the past, while the difficulty of the second is to be found in the fact that the purchasing power parity of the various currencies does not necessarily decide the parity of the currencies.

Based on Labor Cost

In discussing the relationship of the new monetary standard to common prosperity region economy, the meaning of the word standard must be made clear. That is because since the abandonment of the gold standard, there has not been much clear thinking in regard to a substitute standard. One of the most important attributes of the gold standard was the convertibility of currencies for gold whose value was fixed by the State; the currency unit, revolving around gold, was linked with the natural price structure. In other words, the currency unit tied to gold provided the basis for the determination of prices and represented a foundation for the economic structure. However, once the currency unit is separated from gold, the question arises regarding the principle for the determination of prices. In the past, the principle for price determination was based on the cost of production but in the case of controlled economy such as that prevailing in Greater East Asia, the price is determined by the Government. The obtainment, therefore, of a new principle for evaluation is, indeed, a difficult problem. But this new basis might be provided by the cost of the factors of production or, in the last analysis, the labor costs or the cost of living.

In the establishment of a common monetary standard, the most difficult question is the fact that in spite of the mutuality of relationships between the various countries of Greater East Asia, their economic characteristics differ. In order to set up a common currency standard for all, there must be an equilibrium in the economic development of the various countries. As an alternative, it might therefore be suggested that a common currency standard be set up apart from the currencies of the various countries or else to represent it by Japanese yen. This new common currency standard must differ from the currencies of the various countries and even in the case of the Japanese yen, there must be a difference also. The common currency standard must perforce exist in the abstract. The currencies of the various countries of the common-prosperity region will then be linked with this abstract unit; the parity between these various currencies will be determined by the economic conditions of the various countries. Once these currencies are tied with the common standard, the changes in the currency value and the standard of living of the various countries will be reflected in relationship of their currencies.

To Use Japanese Yen

But a more realistic approach would be to use the Japanese yen as a common standard. That ostensibly is the purpose of the special yen. Through the establishment of this standard, the economic system of Japan which is a consumer of raw materials as well as a producer of manufactured goods is tied with the economic system of the other countries of East Asia which are suppliers of those raw materials.

In the determination of the parity of the various currencies of the region, the differences in the economic development of the component countries will be a deciding factor. The recognized basis for the determination of the exchangeable value of the currencies is, of course, their relative purchasing power. But here again there are two conditional elements. One of them is that there must not be a wide disparity in the economic level of the various countries. The other is that their economy must possess an intrinsic price formative power. While the economic systems of various countries of the Region, possessing different characteristics, have the potentiality of forming a common economy, it must be understood that they do not each have independent power to form prices, for they do not carry on a whole economic circulation within each country. In setting up the parity of the currencies, it would be extremely irrational to disregard the position and economic history of the various component countries.

In the common prosperity region economy, currency parity has a new meaning. In the past, this parity was determined by the comparison of the purchasing power of the various currencies. But now the currency parity set-up will rest on the relationship between the various economic systems.

With the exception when the currency parity is determined as a temporary make-shift measure, there must not be a slip-shod determination. There must be found some sort of a basis or a yardstick. To base this parity on the purchasing power or on the price level would, of course, be irrational. The ration of the various currencies must, by the nature of things, be based on the relationship between the currency unit of the various economic systems with the production cost in each economy. In this case, the production cost might represent the living conditions of the people or their wealth or, more precisely, their living standard or even national income. In any case if the common standard is to be represented by the Japanese yen, the changes in the economic level of the various countries will be reflected directly in the change of the currency parity vis-a-vis the Japanese yen and, in case it is represented by an abstract unit, the charges in the level of Japanese economy as in the changes in the level of other economies will be reflected in the parity of the Japanese yen to this abstract unit. The parity between the Japanese yen and the other currencies of the common-prosperity region will be shown with this abstract unit as an intermediary.

(End)

Fruits of Wisdom

Nothing so much prevents our being natural as the desire of appearing so.—Rochefoucauld.

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Manners are stronger than laws.

• • •

Fine manners are a stronger bond than a beautiful face. The former binds; the latter only attracts.—Lamartine.

• • •

Two consorts in heaven are not two, but one angel.—Swedenborg.

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Maxims are to the intellect what laws are to actions; they do not enlighten, but guide and direct, and though themselves blind, are protecting.—Joubert.

THE REVIVAL OF CHINA'S FARMING INDUSTRY

Fundamental Question for Resurgence of Nation

By KOICHI NAKAMURA

Part 1

China is an immense agricultural country, with a history dating back to many thousand years ago. Her farming class makes up 80 per cent of the population, and the rest, or rather 70 per cent of the rest, is taken up by middle and small merchants and manufacturers, and the remaining, on the top layer, occupied by military caste and capitalists. Eighty per cent of the people's income is derived from the farming industry. The average tract of land under cultivation is about two and half acres per farmer's family.

The Chinese farmers are generally reputed to be poor as a class. For generations, or centuries back for that matter, they have been visited by perennial flood and drought. Moreover, their farming methods are antiquated and slow-going.

China's lot was still worsened by the advent of the Opium War, which took place about a century ago, for in its wake she was found to be experiencing the vicissitudes of world commerce.

The fact that China is a vast agricultural country with abundant possibilities for development makes an early solution of the problem possible, depending, however, upon the spurt and pluck of her farming class. Or rather the solution will prove the first step toward the settlement of the fundamental question—the permanent reconstruction of China's farming industry.

The Nanking Government with political power is in a position to help solve the problem of self-sufficiency. As the old saying goes, "when the crop is bountiful in Kiangsu and Chekiang the people will never go hungry," the fertility of this region along the Yangtze River is well known. The farm products from this area are considered an absolute necessity for the running of the heavy industries in North China, which are essential for the prosecution of the current war. They will be also used for the feeding of the vast populace in Central China. Thus signifying a step toward the reconstruction of Chinese farming industry, a marked improvement on her self-sufficiency is looked for through the best efforts of the Nanking Government.

Government's Aim

In this connection, the declaration of President Wang Ching-wei, made at the start of this year, is quite significant. He said: "The focal point of this year's economic reconstruction lies in the increase of farm products. Accordingly, special care was taken of our budget for the first half year. Much increase is looked for in the production of foodstuffs and cotton and also in the output of light industries. In the pushing of our campaign for production increase, while giving the growers and industrialists possible protection, we intend to fight and prevent the Communist banditry, the profiteering of the landed and moneyed interests, the corrective acts of the bad element in the army, official frauds, and to acquaint the general public with the meaning of our campaign. Needless to say that the increase of production thus attained means our contribution to the prosecution of the Greater East Asia War and doing our part toward the resurgence of our country and the defense of East Asia." Manifestly, this is a comprehensive and constructive plan conceived by President Wang in the second year of China's entry in the war.

As pointed out by President Wang, it is urgent to purge the officialdom of certain obvious evils. In this sense the punishment [illegible] meted out to the former Nanking Food Administrator, Ku Pao-peng, and his clique shows how determined is the Chinese Government. It goes without saying that the clean-up should be carried on thoroughly, including even those minor areas in the districts. Also the dishonest army element should come under the ax. With examples thus shown, the rural populace can surely be expected to wake up to the need of reform and rehabilitation.

Because of these evils left uncontrolled hitherto, the rural communities in China have stood detached from the government. But now a good opportunity is presented to correct this. With the resurgent spirit emphasized in the farming class should be encouraged to increase production, and further ways be provided so that the farmers own land—the land they cultivate—as it has been advocated for long. This will enhance the chance of rehabilitating the rural life, hence increased production.

(To Be Continued)